

November 2013



Siskiyou County FSA Office

215 Executive Ct. Ste C.
Yreka, CA 96097

Phone: 530-842-6123 Ext. 2

Fax: 530-842-1027

County Executive Director:
Joe Ulics

Farm Loan Manager:
Katherine Lewis

Program Technicians:
Alice Lycan
Carolyn Pimentel

Farm Loan Officer :
Emily Rowley

Next County Committee Meeting: December 9, 2013
at 10:00 AM

County Committee Voting Begins

Ballots for this year's county committee election will be mailed to eligible voters on Nov. 4, 2013. Voters must complete their ballots and return them to the Farm Service Agency county office by the close of business on Dec. 2, 2013. If mailed, ballots must be postmarked by midnight Dec. 2, 2013.

The candidate in this year's election is: Daniel Frey

Eligible voters in local administrative area 3 (Butte Valley / Tulelake) who have not received a ballot should contact the FSA county office staff.

2014 Reporting of Fall Seeded Crops

All producers are reminded that the acreage reporting date for fall seeded crops has changed, beginning with the crop planted for 2014 harvest. The new acreage reporting date is **DECEMBER 1, 2013**. This applies to all fall seeded crops including winter wheat. Please call for an appointment to certify your crop. **THIS ALSO INCLUDES PERMENANT CROPS SUCH AS ALFALFA HAY, GRASS HAY, MIXED HAY, IRRIGATED PASTURE AND RANGELAND.**

NAP Coverage Deadlines

Noninsured Crop Disaster applications are due at different times though almost all crops in Siskiyou County are due December 1, 2013. These include Pasture, Mixed Hay, Grass Hay, Wheat Hay, etc. Other fruit tree crops are due December 15 and January 31. Related service fees are due when the application is filed. If you are unsure of your sales closing date, please contact our office.

FSA MAKES PAYMENTS

FSA has started issuing Conservation Reserve Program (CRP) and 2013 Direct and Counter-cyclical

Payments on Oct. 24. These payments were delayed by several weeks due to the lapse in Federal funding.

The 2008 Farm Bill, extended by the American Tax Payer Relief Act of 2012, provided authority to enroll land in DCP, ACRE and CRP through Sept. 30, 2013; however, no legislation has been enacted to reauthorize or extend this authority. Effective Oct. 1, 2013, FSA does not have legislative authority to approve or process applications for these programs

Marketing Assistance Loans

A Marketing Assistance Loan (MAL) is available for producers who share in the risk of producing the crop. To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of the date the loan is repaid or CCC takes title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if the producer regains beneficial interest.

Commodity loan eligibility also requires compliance with conservation and wetland protection requirements; beneficial interest requirements, acreage reporting and ensuring that the commodity meets Commodity Credit Corporation minimum grade and quality standards. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Producers do not have to participate in the Direct and Counter-Cyclical and/or ACRE Programs to be eligible for commodity loans.

Violating provisions of a marketing assistance loan may result in liquidated damages, calling the loan and denial of future farm-stored loans.

Farm Reconstitutions

When changes in farm ownership or operation take place, a farm reconstitution is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

The following are the different methods used when doing a farm recon. Remember, to be effective for the current year, recons must be requested by Aug. 1 for farms enrolled in the Direct and Counter-Cyclical Program.

Estate Method — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

DCP Cropland Method — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

Default Method — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system

FSA Signature Policy

Using the correct signature when doing business with FSA can save time and prevent a delay in program

benefits. The following are FSA signature guidelines:

- * Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office

- * Spouses shall not sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities

For additional clarification on proper signatures contact your local FSA office.

Changing Banks

Almost all Farm Service Agency payments are made electronically using direct deposit.

To keep the system running smoothly, it's critical to keep the county office staff up to date on changes you might make in your financial institutions.

If you have changed accounts or institutions that might affect the direct deposit of your FSA payments, contact the FSA county office so we can update our files to insure continued uninterrupted service.

Loans for the Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of socially disadvantaged applicants.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, socially disadvantaged groups are women, African-Americans, American Indians, Alaskan Natives, Hispanics, Asian-Americans and Pacific Islanders.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

Selling Land

If you plan on selling farmland, you should be aware of several consequences associated with FSA programs. For example, if you're planning to sell land that's enrolled in the Conservation Reserve Program, the buyer must agree to continue the enrollment. If the buyer doesn't want to continue the CRP contract, you might have to refund all of the payments you've received to date.

Increased Guaranteed Loan Limit

The loan limit for the Guaranteed Loan Program increased to \$1,355,000 on Oct. 1, 2013. The limit is adjusted

annually based on data compiled by the National Agricultural Statistics Service.

The lending limit increases every year according to an inflation index. The maximum combined guaranteed and direct farm loan indebtedness will also increase to \$1,655,000.

As a reminder, the one-time loan origination fee charged on FSA guaranteed Farm Ownership and Operating loans is 1.5 percent of the guaranteed portion of the loan.

Producers should contact their local FSA County Offices with questions about farm loans.

Microloan Program

The Farm Service Agency (FSA) developed the Microloan program to better serve the unique financial operating needs of beginning, niche and small family farm operations.

FSA offers applicants a Microloan designed to help farmers with credit needs of \$35,000 or less. The loan features a streamlined application process built to fit the needs of new and smaller producers. This loan program will also be useful to specialty crop producers and operators of community supported agriculture (CSA).

Eligible applicants can apply for a maximum amount of \$35,000 to pay for initial start-up expenses such as hoop houses to extend the growing season, essential tools, irrigation and annual expenses such as seed, fertilizer, utilities, land rents, marketing, and distribution expenses. As financing needs increase, applicants can apply for a regular operating loan up to the maximum amount of \$300,000 or obtain financing from a commercial lender under FSA's Guaranteed Loan Program.

Individuals interested in applying for a microloan or would like to discuss other farm loan programs available, should contact the local FSA office to setup an appointment with a Loan Approval Official.

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).